

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7007

BILL NUMBER: HB 1438

NOTE PREPARED: Jan 2, 2003

BILL AMENDED:

SUBJECT: Pharmacy Matters.

FIRST AUTHOR: Rep. Welch

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State

Summary of Legislation: This bill establishes the Pharmacy Law Enforcement Account to provide funding for the enforcement of pharmacy laws, the rehabilitation of impaired pharmacists, and the education of pharmacists and the public regarding pharmacy laws. It changes pharmacist intern and extern registration renewal time frames. The bill specifies allocation of pharmacist licensure fees. The bill also removes the responsibility of the State Police Department for the Controlled Substance Prescription Monitoring Program and assigns those responsibilities to the Controlled Substances Advisory Committee and the Health Professions Bureau.

Effective Date: July 1, 2003.

Explanation of State Expenditures: The Controlled Substances Advisory Committee currently funds the administration of the Controlled Substances Prescription Monitoring Program. Removing the State Police Department's responsibility and shifting it to the Advisory Committee would have no fiscal impact on either entity.

Explanation of State Revenues: This bill establishes the Pharmacy Law Enforcement Account, which is to be administered by the Health Profession Bureau. Fines that are collected by the Pharmacy Board are to be deposited in the account, and the money is to be annually appropriated to the HPB. Money in the Account does not revert to the General Fund at the end of the fiscal year. Although the revenue would no longer be deposited in the General Fund, the expenses the Account will pay for are also being removed from the General Fund.

This bill changes the pharmacist intern and extern registration renewal time to occur every two years instead

of six years. Assuming the \$10 fee does not change, the Board will receive \$30 per license in fee revenue over six years. According to the HPB, there are 2,092 registered pharmacist intern/externs as of October, 2002. If each of these interns/externs renew their registrations every two years for the next six years, an additional \$41,840 in fee revenue would be generated (or \$20,920 would be generated every two years). This money would be deposited in the state's General Fund.

This bill also specifies that 16% of the controlled substances registration fees are to be deposited in the Controlled Substances Data Fund. The Fund provides for the operation of the Central Repository for Controlled Substances. A controlled substances registration, and renewal, for practitioners costs \$60. The registration fee for distributors, manufacturers, and for dispense, research, instruction, and chemical analysis, cost \$100. The HPB reports approximate 375 total controlled substances registrations. Sixteen percent of the revenue generated from these registrations is approximately \$3,700. If the number of registrations remains the same, this amount would be redirected from the General Fund to the Controlled Substances Data Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Health Professions Bureau; State Police Department.

Local Agencies Affected:

Information Sources: Matt Hopper, Health Professions Bureau, (317) 234-1985.

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